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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

MANPOWER AND WELFARE
DIVISION

JUN 30 1975

Dr. John D. Chase
Chief Medical Director
Veterans Administration

Dear Dr. Chase:

We surveyed the Veterans Administration (VA) Post Activation Evaluation (PAE) program for evaluating new hospital construction and major modernization projects. We made our survey at VA Central Office and at the Atlanta, Georgia; San Juan, Puerto Rico; and Tampa, Florida hospitals.

The PAE program was established in 1967 to, among other things, create a system which would provide for identifying factors which hinder operating efficiency at new hospitals for consideration in the development of future hospital construction plans by central office staffs concerned with hospital planning, design and construction.

The program was established because there were a number of new hospitals constructed prior to 1967 which in some cases contained design or operational deficiencies that entailed considerable expense to correct.

For this type of program to be fully effective, PAE findings and recommendations must be given prompt consideration so that any corrective action needed to prevent noted problems from reoccurring in subsequent hospital projects can be taken. We noted long periods elapsing between the date an evaluation was made to issuance of a report. For example, the Hines, Illinois hospital was evaluated in October 1972, but the evaluation report was not issued until February 1975, 28 months later. For three of the four most recent evaluations made, one in April 1974, one in August 1974 and one in October 1974, reports still have not been issued. Activation and Special Projects officials (ASP) said that they cannot issue a report until the Office of Construction responds to its recommendations.

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We reviewed the recommendations in the Hines report and, in our opinion, two years was more than ample time for a decision to be made on whether the recommendations were valid and should be implemented.

In November 1974 we discussed the results of our survey with you and were informed that you were not aware of the situation. We said that the situation had apparently occurred because (1) the ASP staff, due to their organizational location, had little influence in requiring prompt consideration and corrective actions on their recommendations, (2) program guidelines do not provide for enforceable timeframes for consideration of ASP recommendations and there are no procedures for the ASP staff to followup on recommendations agreed on to insure implementation in a timely manner. You acknowledged the significance of the problem and the need for corrective action and stated that the PAE program would definitely receive your attention and corrective action would be initiated.

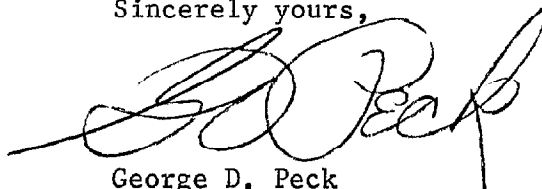
In April 1975 the Office of the Administrator approved a reorganization whereby the PAE function will be transferred in July 1975 from the Health Care Review Service to the Director for Operations Review and Analysis, a staff function in the Office of the Associate Deputy Chief Medical Director for Operations, Department of Medicine and Surgery. An official of your Department said that the results of future evaluations will be reviewed by the chiefs of the various medical services in the Department and then transmitted to the Office of Construction under the signature of the Chief Medical Director. He said that this new procedure should result in more timely action being taken on ASP recommendations.

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The PAE program could be very beneficial to VA management from the standpoint of avoiding "potential problems" from being built into new hospitals. The organizational changes within the Department of Medicine and Surgery should be of benefit to the PAE program. However, revising the PAE guidelines to include procedures and timeframes for responding to recommendations and a follow-up system to insure that all agreed to recommendations are promptly implemented would also help. We plan to keep abreast of the implementation of the organizational change and its effectiveness on program operations.

We appreciate the cooperation and courtesy extended to us by VA personnel during our review.

Sincerely yours,



George D. Peck
Assistant Director